

ADAMS BROADWELL JOSEPH & CARDOZO

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

601 GATEWAY BOULEVARD, SUITE 1000  
SOUTH SAN FRANCISCO, CA 94080-7037

TEL: (650) 589-1660  
FAX: (650) 589-5062

jmauldin@adamsbroadwell.com

SACRAMENTO OFFICE

520 CAPITOL MALL, SUITE 350  
SACRAMENTO, CA 95814-4721

TEL: (916) 444-6201  
FAX: (916) 444-6209

DANIEL L. CARDOZO  
THOMAS A. ENSLOW  
PAMELA N. EPSTEIN  
TANYA A. GULESSERIAN  
MARC D. JOSEPH  
ELIZABETH KLEBANER  
RACHAEL E. KOSS  
JAMIE L. MAULDIN  
ROBYN C. PURCHIA  
ELLEN L. TRESCOTT

OF COUNSEL  
THOMAS R. ADAMS  
ANN BROADWELL

November 5, 2012

VIA EMAIL and US MAIL:

Ehren Seybert  
CPUC  
Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: CUE's Comments on the Proposed Methodology of Phase 1 of  
the NEM Cost-Effectiveness Study

Dear Mr. Seybert:

Pursuant to the instructions given at the workshop held by the Energy Division on October 22, 2012, detailing the proposed methodology of Phase 1 of the NEM cost-effectiveness study, the Coalition of California Utility Employees ("CUE") respectfully submits its comments on Phase 1 of the proposed methodology.

CUE appreciates the bookend approach introduced in this study. To fully understand the total effects of NEM, the Commission has to look at not only the amount of energy exported back onto the grid, but also the *total* generation on the customer side of the meter in order to determine the amount of revenue lost from onsite usage. In order for the results of this study to be useful in making the NEM program sustainable, the Commission needs the raw data on the amount in kWh that is being exported back to the grid *and* the total usage amount in kWh. Therefore, CUE urges including the following three types of data in the Phase 1 study:

1011-812cv

### **Amount of Exported Energy in kWh**

In order for the study to present the clearest effects of NEM, the results should include the *amount* of exported energy in kWh and not just reflect that amount calculated at the full retail rate. The Commission will need data showing the amount of energy exported back to the grid so that a rate that reflects the value that energy can later be applied. This data will allow the Commission to fully evaluate options for customer-side generation.

### **Total Amount of Energy in kWh**

The same logic applies to showing the total generation in kWh, so that the two approaches can be compared in units, and not at full retail prices. Again, having the raw data without the retail rate calculation allows the Commission to apply a different rate to the amount of energy where necessary.

### **Time of Day export in kWh**

Additionally, Time of Day data will prove useful in determining bill effects of NEM and the value of the energy exported to the grid. A table and bar chart that shows export by Time of Day in kWh will inform the Commission of costs by time of day usage.

### **Conclusion**

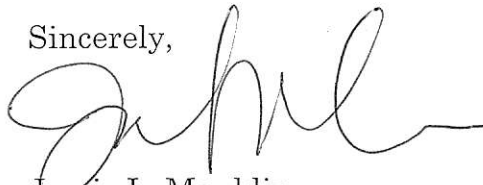
Therefore, the study should include three important sets of data:

1. Amount exported reflected in kWh;
2. Total amount of generation reflected in kWh;
3. Time of Day exported reflected in kWh.

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Using these data sets, the Commission will have the tools to determine how NEM is affecting bill rates and explore all of the options to make the program sustainable.

Sincerely,

A handwritten signature in black ink, appearing to read 'JL Mauldin', with a long horizontal flourish extending to the right.

Jamie L. Mauldin

*Attorney for California's Union for Reliable  
Energy*

JLM:clv

Cc: Service list for R.10-05-004